

R590. Insurance, Administration. (Effective 8-5-02)

R590-209. Court Ordered Health Insurance Coverage for Dependents.

R590-209-1. Authority.

This rule is promulgated pursuant to Subsections 31A-2-201(1) and 31A-2-201(3)(a) in which the insurance commissioner is empowered to administer and enforce this title and to make rules to implement the provisions of this title. The authority to set minimum standards by rule is pursuant to Subsections 31A-22-610.5(4)(iv), 31A-22-610.5(5), 31A-22-610.5(6), 31A-22-610.5(7) and 31A-22-610.5(9).

R590-209-2. Purpose and Scope.

The purpose of this rule is to establish minimum standards for insurers providing accident and health coverage when a court or administrative order requires the responsible parent to provide health insurance for dependents.

R590-209-3. Definitions.

The following definition shall be used for purposes of this rule:

"Out-of-area dependent" means a child who does not reside with the parent who is responsible for providing health insurance coverage required by a court or administrative order and does not reside in the insurer's service area.

R590-209-4. Minimum Standards and General Provisions.

(1) When there is a court or administrative order requiring a parent to provide health insurance to an out-of-area dependent, as described in Subsection 31A-22-610(5), the insurer covering the responsible parent shall provide coverage consistent with the following minimum standards:

(a) enrollment in the responsible parent's health insurance coverage will be as if the out-of-area dependent child resided within the service area;

(b) health insurance coverage will be provided by the insurer to the out-of-area dependent child that is equivalent to health insurance coverage within the responsible parent's service area;

(c) the out-of-area health insurance coverage may be provided by a health maintenance organization, a preferred provider organization, indemnity program, or fee-for-service arrangement, regardless of the initial family coverage plan;

(d) an unmarried out-of-area dependent is eligible for coverage until the age stated in the court or administrative order or age 26 if the court or administrative order is silent;

(e) health insurance coverage may not be restricted to emergency or urgent care only; and

(f) the restrictions under Section 31A-8-408 do not apply to a health maintenance organization that provides coverage under this rule.

(2) The insurer's policy form will clearly state that the amount paid for a covered service to a provider for an out-of-area dependent will be at a benefit level not less than a contracted in-area provider benefit.

R590-209-5. Penalties.

Violations of this rule are subject to the penalties provided for in Section 31A-2-308.

R590-209-6. Compliance Date.

The commissioner will begin enforcing the provisions of this rule 45 days from the rules effective date.

R590-209-7. Severability.

If any provision or clause of this rule or its application to any person or situation is held invalid, such validity shall not affect any other provision or application, and to this end the provisions of this rule are declared to be severable.

**KEY: insurance, health
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**31A-2-201
31A-22-610.5.**